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EXAMINER

GRAHAM, CLEMENT B

ART UNIT	PAPER NUMBER
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3628

DATE MAILED: 10/21/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

09/716,189

Applicant(s)

MACPHERSON, JAMES

Examiner

Clement B Graham

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --
Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 14 June 2004.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-45 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-45 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers.

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. _____.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☐ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date _____
- 4) ☐ Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____
- 5) ☐ Notice of Informal Patent Application (PTO-152)
- 6) ☐ Other: 2504-08-10

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DETAILED ACTION

1. Claims 1-45 remained pending.

Claim Rejections - 35 USC § 103

2. The following is a quotation of 35 U.S.C. § 103(a) which forms the basis for all obviousness rejections set forth in this Office action: (a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

3. The factual inquiries set forth in *Graham v. John Deere Co.*, 148 USPQ 459, that are applied for establishing a background for determining obviousness under 35 U.S.C. 103(a) are summarized as follows:

1. Determining the scope and contents of the prior art.
2. Ascertaining the differences between the prior art and the claims at issue.
3. Resolving the level of ordinary skill in the pertinent art.
4. Considering objective evidence present in the application indicating obviousness or unobviousness.

4. Claims 1-45, are rejected under 35 U.S.C. 103(a) as being unpatentable over Nieboer et al (Hereinafter Nieboer U.S. Patent 6, 418, 419 in view of Hawkins et al (Hereinafter Hawkins U.S. Patent 6, 029, 146).

As per claims 1, Nieboer discloses a method for processing mutual fund order messages, including purchase and redemption transactions, comprising the steps of: receiving order messages at a server from at least one of a plurality of servers designated Exchanges.(see column 5 lines 25-45 and column 7 lines 48-65 and column 8 lines 1-20 and column 3 lines 22-45) and reformatting. (i. e, formats") the order messages. (column 5 lines 25-45).

Nieboer fail to explicitly teach transmitting the order messages at the servers to at least one of a plurality of servers Fund/Securities Clearing Agents for confirmation, clearing and settlement. (see column 21 lines 45-65).

However Hawkins discloses a database, the database storing standing delivery instructions relating to at least a first broker, a data communication device for at least receiving an order message in a secure financial network format from the first broker, wherein the order message comprise a buy order or a sell order for trading securities, forwarding the order message in the secure financial network format to a second broker,

receiving a confirmation message verifying execution of the order message in the secure financial network format from the second broker and forwarding the confirmation message in the secure financial network format to the first broker, forwarding a first notification message in the secure financial network format to a first clearing agent, and forwarding a second notification message in the secure financial network format to a second clearing agent, wherein the first and second notification messages comprise settlement instructions for settling the transaction. (see column 21 lines 59-65 and column 4 line 65).

Therefore it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of Nieboer and to include transmitting the order messages at the servers to at least one of a plurality of servers Fund/Securities Clearing Agents for confirmation, clearing and settlement taught by Hawkins in order to trade securities electronically between brokers in which trade confirmation is performed automatically.

As per claim 2, Nieboer fail to explicitly teach wherein the step of transmitting further comprises the step of forwarding the order messages from the server to at least one of servers of at least one of the individual Funds and Transfer Agents for processing and confirmation.

However Hawkins discloses the present invention solves this problem by providing a system and method for direct broker to broker trading that will automatically match an investor's security order with an executing broker's match confirmation and will automatically generate and route via the SWIFT Financial Network a settlement instruction to the investor's clearing agent. By allowing securities participants to match orders to executions in trade date and by automatically generating pre-matched settlement instructions to clearing agents on trade date, the system will increase the accuracy, reduce the cost, reduce the inherent financial risk and increase the rate of settlement for all security participants. (see column 21 lines 59-65 and column 4 line 65).

Therefore it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of Nieboer to include transmitting

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further comprises the step of forwarding the order messages from the server to at least one of servers of at least one of the individual Funds and Transfer Agents for processing and confirmation taught by Hawkins in order to perform clearing and transaction settlement.

As per claim 3, Nieboer fail to explicitly teach wherein the step of forwarding comprises forwarding said order messages from the server, in single batch and multi batch, throughout the day.

However Nieboer discloses, a primary object of the present invention is to efficiently transact conditional buy and sell orders for items of commerce by multiple traders in real-time. (see column 2 lines 1-5).

Therefore it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of Nieboer and Hawkins performing transactions in real time would have been a more timely and efficient way in conducting the processing of mutual funds orders messages in appose to in single batch and multi batch, throughout the day.

As per claim 4, Nieboer fail to explicitly teach wherein the step of forwarding comprises forwarding said order messages from the server, in single batch and multi-batch, at the end of the day.

However Nieboer discloses, a primary object of the present invention is to efficiently transact conditional buy and sell orders for items of commerce by multiple traders in real-time. (see column 2 lines 1-5).

Therefore it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of Nieboer and Hawkins performing transactions in real time would have been more advantageous than batch processing whereby transaction are group together for processing at the end of the day.

As per claim 5, Nieboer discloses further comprising the step of receiving confirmation messages at the server.(see column3 lines 22-35)

Nieboer fail to explicitly teach from at least one of said servers at the Funds/Securities Clearing Agents.

However Hawkins discloses the present invention solves this problem by providing a system and method for direct broker to broker trading that will automatically match an investor's security order with an executing broker's match confirmation and will automatically generate and route via the SWIFT Financial Network a settlement instruction to the investor's clearing agent. By allowing securities participants to match orders to executions in trade date and by automatically generating pre-matched settlement instructions to clearing agents on trade date, the system will increase the accuracy, reduce the cost, reduce the inherent financial risk and increase the rate of settlement for all security participants. (see column 21 lines 59-65 and column 4 line 65).

Therefore it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of Nieboer to include from at least one of said servers at the Funds/Securities Clearing Agents taught by Hawkins to in order to perform clearing and transaction settlement.

As per claim 6, Nieboer fail to explicitly teach wherein said confirmation messages are received at the server periodically and at the end of the day.

However Nieboer discloses, a primary object of the present invention is to efficiently transact conditional buy and sell orders for items of commerce by multiple traders in real-time. (see column 2 lines 1-5).

Therefore it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of Nieboer and Hawkins performing transactions in real time would have been a more timely and efficient way in conducting the processing of mutual funds orders messages, in appose to periodically and at the end of the day.

As per claim 7, Nieboer discloses further comprising the step of reformatting.(i. e, (formats") the confirmation messages at the server and transmitting said confirmation messages from the server to servers at least one of a plurality of ordering Member Firms. (column 5 lines 25-45 and column 3 lines 22-35).

As per claim 8, Nieboer fail to explicitly teach wherein the step of forwarding comprises forwarding said order messages from the server, in single batch and multi batch, throughout the day.

However Nieboer discloses, a primary object of the present invention is to efficiently transact conditional buy and sell orders for items of commerce by multiple traders in real-time. (see column 2 lines 1-5).

Therefore it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of Nieboer and Hawkins performing transactions in real time would have been a more timely and efficient way in conducting the processing of mutual funds orders messages in appose to in single batch and multi batch, throughout the day.

As per claim 9, Nieboer fail to explicitly teach wherein the step of transmitting said confirmation messages further comprises the step of delaying the transmission of said confirmation messages from the server, in single batch and multi-batch, until the end of the day.

However Nieboer discloses, a primary object of the present invention is to efficiently transact conditional buy and sell orders for items of commerce by multiple traders in real-time. (see column 2 lines 1-5).

Therefore it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of Nieboer and Hawkins performing transactions in real time would have been a more effective and efficient way of processing mutual funds orders messages in appose to delaying the transmission of said confirmation messages from the server, in single batch and multi-batch, until the end of the day.

As per claim 10, Nieboer fail to explicitly further comprising the step of clearing and settlement of order messages through servers at least one of said Fund/Securities Clearing Agents and servers at least one of a plurality of Depositories using at least one Fund/Securities Clearing Agent money settlement system.

However Hawkins discloses a database, the database storing standing delivery instructions relating to at least a first broker, a data communication device for at least

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receiving an order message in a secure financial network format from the first broker, wherein the order message comprise a buy order or a sell order for trading securities, forwarding the order message in the secure financial network format to a second broker, receiving a confirmation message verifying execution of the order message in the secure financial network format from the second broker and forwarding the confirmation message in the secure financial network format to the first broker, forwarding a first notification message in the secure financial network format to a first clearing agent, and forwarding a second notification message in the secure financial network format to a second clearing agent, wherein the first and second notification messages comprise settlement instructions for settling the transaction. (see column 21 lines 59-65 and column 4 line 65).

Therefore it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of Nieboer to include clearing and settlement of order messages through servers at least one of said Fund/Securities Clearing Agents and servers at least one of a plurality of Depositories using at least one Fund/Securities Clearing Agent money settlement system taught by Hawkins in order to trade securities electronically between brokers in which trade confirmation is performed automatically.

As per claim 11, Nieboer and Hawkins fail to explicitly further comprising the step of paying at least one of cash dividends and reinvested dividends to at least one of a Member Firm's Depository Account and a Fund/Securities Clearing Agent's Account.

However reinvesting dividends to at least one of a Member Firm's Depository Account and a Fund/Securities Clearing Agent's Account are commonly known functions in art of trading because it allows one to reinvestment their distribution. Therefore it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of Nieboer and Hawkins include paying at least one of cash dividends and reinvested dividends to at least one of a Member Firm's Depository Account and a Fund/Securities Clearing Agent's Account because it allows one to reinvestment their distribution.

As per claim 12, Nieboer discloses further comprising the step of receiving the order messages at a the server for tabulation.(see column 4 lines 10-13).

As per claim 13, Nieboer discloses further comprising the step of storing the order messages in a database.(see column 4 lines 10-13).

As per claim 14, Nieboer discloses further comprising the step of storing information relating to said order messages in the database.(see column 3 lines 30-35) Nieboer and Hawkins fail to explicitly teach storing by date, Member Firms and funds, including gross purchase and redemption and historical orders, dividends, and net fund positions.

However storing by date, Member Firms and funds, including gross purchase and redemption and historical orders, dividends, and net fund positions are commonly known to be listed on a customer's order statement and would have to be stored prior to printing those statements.

Therefore it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of Nieboer and Hawkins to include storing by date, Member Firms and funds, including gross purchase and redemption and historical orders, dividends, and net fund positions are commonly known to be listed on a customer's order statement and would have to be stored prior to printing those statements.

As per claim 15 , Nieboer and Hawkins fail to explicitly teach further comprising the step of receiving dividend information at the server for tabulation of order message information, comprising correct calculation of each fund's NAV, calculation of fund total returns over different time periods and fund assets held at each Member Firm.

However receiving dividend information for tabulation of order message information and calculating each net asset value of the total returns over different times periods are common function perform during trading or processing of mutual funds orders because it calculate the net assets from the gross assets by subtracting the different fees and cost from the gross.

Therefore it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify eth teachings of Nieboer and Hawkins to include

receiving dividend information for tabulation of order message information and calculating each net asset value of the total returns over different times periods are common function perform during trading or processing of mutual funds orders because it calculate the net assets from the gross assets by subtracting the different fees and cost from the gross.

As per claim 16, Nieboer discloses further comprising the steps of storing total return information in the database.(see column 3 lines 30-35)
Hawkins fail to explicitly teach storing NAV including dividends and fund assets held at each Member Firm at different points in time.

However storing NAV including dividends and fund assets held at each Member Firm at different points in time are common, and are listed on a customer's order statement and would have to be stored prior to printing those statements.

Therefore it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of Nieboer and Hawkins to include storing NAV including dividends and fund assets held at each Member Firm at different points in time are common, and are listed on a customer's order statement and would have to be stored prior to printing those statements.

As per claim 17, Nieboer discloses further comprising the steps of sorting orders, performing calculations relating to orders at the server including the steps of tabulating orders into records and generating reports.(Note fig: 9 and see column 12 lines 50-59 and column 3 line 65 an column 4 lines 5-10).

As per claim 18, Nieboer discloses comprising the steps of receiving order messages at a first server of an Exchange from a second server at least one Member Firm.(“i. e, sender”). (see column 5 lines 25-45 and column 7 lines 48-65 and column 8 lines 1-20 and column 3 lines 22-45) and
matching and executing order messages at the first server. (see column 6 lines 31-36) and transmitting the matched and executed order messages from the first sever to servers at least one of a plurality of ordering Member Firms and for confirmation.(see column 3 lines 22-45 and column 5 lines 25-45).

Nieboer fail to explicitly teach to servers at least one of a plurality of Funds/Securities Clearing Agents for clearing and settlement.

However Hawkins discloses a database, the database storing standing delivery instructions relating to at least a first broker, a data communication device for at least receiving an order message in a secure financial network format from the first broker, wherein the order message comprise a buy order or a sell order for trading securities, forwarding the order message in the secure financial network format to a second broker, receiving a confirmation message verifying execution of the order message in the secure financial network format from the second broker and forwarding the confirmation message in the secure financial network format to the first broker, forwarding a first notification message in the secure financial network format to a first clearing agent, and forwarding a second notification message in the secure financial network format to a second clearing agent, wherein the first and second notification messages comprise settlement instructions for settling the transaction. (see column 21 lines 59-65 and column 4 line 65).

Therefore it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of Nieboer to servers at least one of a plurality of Funds/Securities Clearing Agents for clearing and settlement taught by Hawkins in order to trade securities electronically between brokers in which trade confirmation is performed automatically.

As per claim 19, Nieboer fail to explicitly teach wherein the step of forwarding comprises forwarding said order messages from the server, in single batch and multi batch, throughout the day.

However Nieboer discloses, a primary object of the present invention is to efficiently transact conditional buy and sell orders for items of commerce by multiple traders in real-time. (see column 2 lines 1-5).

Therefore it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of Nieboer and Hawkins performing transactions in real time would have been a more timely and efficient way in conducting

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the processing of mutual funds orders messages in appose to in single batch and multi batch, throughout the day.

As per claim 20, Nieboer fail to explicitly teach wherein the step of forwarding comprises forwarding said order messages from the server, in single batch and multi-batch, at the end of the day.

However Nieboer discloses, a primary object of the present invention is to efficiently transact conditional buy and sell orders for items of commerce by multiple traders in real-time. (see column 2 lines 1-5).

Therefore it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of Nieboer and Hawkins performing transactions in real time would have been more advantageous than batch processing whereby transaction are group together for processing at the end of the day.

As per claim 21, Nieboer discloses further comprising the step of transmitting the matched and executed order messages from the first server to a third server for tabulation and processing.(see column 3 lines 22-35 an column 4 lines 5-13).

As per claim 22, Nieboer discloses further comprising the step of storing the matched and executed order messages in a database..(see column 4 lines 10-13).

As per claim 23, Nieboer discloses further comprising the step of storing information relating to said order messages in the database.(see column 3 lines 30-35) Nieboer and Hawkins fail to explicitly teach storing by date, Member Firms and funds, including gross purchase and redemption and historical orders, dividends, and net fund positions.

However storing by date, Member Firms and funds, including gross purchase and redemption and historical orders, dividends, and net fund positions are commonly known to be listed on a customer's order statement and would have to be stored prior to printing those statements.

Therefore it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of Nieboer and Hawkins to include storing by date , Member Firms and funds, including gross purchase and redemption and historical orders, dividends, and net fund positions are commonly known to be listed

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on a customer's order statement and would have to be stored prior to printing those statements.

As per claim 24, Nieboer and Hawkins fail to explicitly teach further comprising the step of receiving dividend information at the server for tabulation of order message information, comprising correct calculation of each fund's NAV, calculation of fund total returns over different time periods and fund assets held at each Member Firm.

However receiving dividend information for tabulation of order message information and calculating each net asset value of the total returns over different times periods are common function perform during trading or processing of mutual funds orders because it calculate the net assets from the gross assets by subtracting the different fees and cost from the gross.

Therefore it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of Nieboer and Hawkins to include receiving dividend information for tabulation of order message information and calculating each net asset value of the total returns over different times periods are common function perform during trading or processing of mutual funds orders because it calculate the net assets from the gross assets by subtracting the different fees and cost from the gross.

As per claim 25, Nieboer discloses further comprising the steps of storing total return information in the database.(see column 3 lines 30-35)

Nieboer and Hawkins fail to explicitly teach storing NAV and total return information including dividends and fund assets held at each Member Firm at different points in time.

However storing NAV and total return information including dividends and fund assets held at each Member Firm at different points in time are common, because these fields are listed on a customer's order statement and would have to be stored prior to printing those statements.

Therefore it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of Nieboer and Hawkins to include storing NAV and total return information including dividends and fund assets held at

each Member Firm at different points in time are common, because these fields are listed on a customer's order statement and would have to be stored prior to printing those statements.

As per claim 26, Nieboer discloses further comprising the steps of sorting orders, performing calculations relating to orders at the server including the steps of tabulating orders into records and generating reports. (Note fig: 9 and see column 12 lines 50-59 and column 3 line 65 and column 4 lines 5-10).

As per claim 27, Nieboer discloses wherein the step of transmitting the matched and executed order messages from the first server to the servers. (see column 6 lines 31-34)

Nieboer fail to explicitly the Funds/Securities Clearing Agents further includes the step of transmitting matched and executed order messages from the first server to servers of at least one of a plurality of Depositories.

However Hawkins discloses a database, the database storing standing delivery instructions relating to at least a first broker, a data communication device for at least receiving an order message in a secure financial network format from the first broker, wherein the order message comprise a buy order or a sell order for trading securities, forwarding the order message in the secure financial network format to a second broker, receiving a confirmation message verifying execution of the order message in the secure financial network format from the second broker and forwarding the confirmation message in the secure financial network format to the first broker, forwarding a first notification message in the secure financial network format to a first clearing agent, and forwarding a second notification message in the secure financial network format to a second clearing agent, wherein the first and second notification messages comprise settlement instructions for settling the transaction. (see column 21 lines 59-65 and column 4 line 65).

Therefore it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of Nieboer to include the Funds/Securities Clearing Agents further includes the step of transmitting matched and executed order messages from the first server to servers of at least one of a plurality of

Depositories taught by Hawkins in order to trade securities electronically between brokers in which trade confirmation is performed automatically.

As per claim 28, Nieboer fails to explicitly teach further comprising the step of settlement of said matched and executed orders, including Depository eligible book entry orders, through servers at least one of the Fund/Securities Clearing Agents using at least one Fund/Securities Clearing Agent's continuous, daily and other money settlement system.

However Hawkins discloses the present invention solves this problem by providing a system and method for direct broker to broker trading that will automatically match an investor's security order with an executing broker's match confirmation and will automatically generate and route via the SWIFT Financial Network a settlement instruction to the investor's clearing agent. By allowing securities participants to match orders to executions in trade date and by automatically generating pre-matched settlement instructions to clearing agents on trade date, the system will increase the accuracy, reduce the cost, reduce the inherent financial risk and increase the rate of settlement for all security participants.(Note abstract and see column 3 lines 26-38).

Therefore it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of Nieboer to include of settlement of said matched and executed orders, including Depository eligible book entry orders, through servers at least one of the Fund/Securities Clearing Agents using at least one Fund/Securities Clearing Agent's continuous, daily and other money settlement system taught by Hawkins in order to trade securities whereby trade confirmation are performed automatically.

As per claim 29, Nieboer and Hawkins fail to explicitly further comprising the step of paying at least one of cash dividends and reinvested dividends to at least one of a Member Firm's Depository Account and a Fund/Securities Clearing Agent's Account.

However reinvesting dividends to at least one of a Member Firm's Depository Account and a Fund/Securities Clearing Agent's Account are commonly known functions in art of trading because it allows one to reinvestment their distribution.

Therefore it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of Nieboer and Hawkins include paying at least one of cash dividends and reinvested dividends to at least one of a Member Firm's Depository Account and a Fund/Securities Clearing Agent's Account because it allows one to reinvestment their distribution.

As per claim 30, Nieboer discloses computer implemented system for processing mutual fund order messages, including purchase and redemption and buy and sell transactions, comprising a first server for receiving order messages from servers at least one of a plurality of designated Exchanges. (see column 5 lines 25-45 and column 7 lines 48-65 and column 8 lines 1-20 and column 3 lines 22-45) reformatting the order messages(column 5 lines 25-45).

at the first server and transmitting the order messages to servers at least one.(see column 6 lines 31-34).

Nieboer fail to explicitly teach a plurality of Fund/Securities Clearing Agents for confirmation, clearing and settlement.

However Hawkins discloses a database, the database storing standing delivery instructions relating to at least a first broker, a data communication device for at least receiving an order message in a secure financial network format from the first broker, wherein the order message comprise a buy order or a sell order for trading securities, forwarding the order message in the secure financial network format to a second broker, receiving a confirmation message verifying execution of the order message in the secure financial network format from the second broker and forwarding the confirmation message in the secure financial network format to the first broker, forwarding a first notification message in the secure financial network format to a first clearing agent, and forwarding a second notification message in the secure financial network format to a second clearing agent, wherein the first and second notification messages comprise settlement instructions for settling the transaction. (see column 21 lines 59-65 and column 4 line 65).

Therefore it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of Nieboer and to include a plurality of

Fund/Securities Clearing Agents for confirmation, clearing and settlement taught by Hawkins in order to trade securities electronically between brokers in which trade confirmation is performed automatically.

As per claim 31, Nieboer fail to explicitly teach wherein servers at least one of the Fund/Clearing Agents forwards the order messages to servers at least one of individual Funds and Transfer Agents for processing and confirmation.

However Hawkins discloses a database, the database storing standing delivery instructions relating to at least a first broker, a data communication device for at least receiving an order message in a secure financial network format from the first broker, wherein the order message comprise a buy order or a sell order for trading securities, forwarding the order message in the secure financial network format to a second broker, receiving a confirmation message verifying execution of the order message in the secure financial network format from the second broker and forwarding the confirmation message in the secure financial network format to the first broker, forwarding a first notification message in the secure financial network format to a first clearing agent, and forwarding a second notification message in the secure financial network format to a second clearing agent, wherein the first and second notification messages comprise settlement instructions for settling the transaction. (see column 21 lines 59-65 and column 4 line 65).

Therefore it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of Nieboer and to include least one of the Fund/Clearing Agents forwards the order messages to servers at least one of individual Funds and Transfer Agents for processing and confirmation taught by Hawkins in order to trade securities electronically between brokers in which trade confirmation is performed automatically.

As per claim 32, Nieboer fail to explicitly teach wherein the step of forwarding comprises forwarding said order messages from the server, in single batch and multi batch, throughout the day.

However Nieboer discloses, a primary object of the present invention is to efficiently transact conditional buy and sell orders for items of commerce by multiple traders in real-time. (see column 2 lines 1-5).

Therefore it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of Nieboer and Hawkins performing transactions in real time would have been a more timely and efficient way in conducting the processing of mutual funds orders messages in appose to in single batch and multi batch, throughout the day.

As per claim 33, Nieboer fail to explicitly teach wherein the step of forwarding comprises forwarding said order messages from the server, in single batch and multi-batch, at the end of the day.

However Nieboer discloses, a primary object of the present invention is to efficiently transact conditional buy and sell orders for items of commerce by multiple traders in real-time. (see column 2 lines 1-5).

Therefore it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of Nieboer and Hawkins performing transactions in real time would have been more advantageous than batch processing whereby transaction are group together for processing at the end of the day.

As per claim 34, Nieboer discloses further comprising the step of receiving confirmation messages at the server.(see column3 lines 22-35)
Nieboer fail to explicitly teach from at least one of said servers at the Funds/Securities Clearing Agents.

However Hawkins discloses the present invention solves this problem by providing a system and method for direct broker to broker trading that will automatically match an investor's security order with an executing broker's match confirmation and will automatically generate and route via the SWIFT Financial Network a settlement instruction to the investor's clearing agent. By allowing securities participants to match orders to executions in trade date and by automatically generating pre-matched settlement instructions to clearing agents on trade date, the system will increase the accuracy, reduce the cost, reduce the inherent financial risk and increase the rate of

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settlement for all security participants. (see column 21 lines 59-65 and column 4 line 65).

Therefore it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of Nieboer to include receiving confirmation messages at the server.(see column3 lines 22-35)

Nieboer fail to explicitly teach from at least one of said servers at the Funds/Securities Clearing Agents taught by Hawkins to in order to perform clearing and transaction settlement.

As per claim 35, Nieboer fail to explicitly teach wherein said confirmation messages are received at the server periodically and at the end of the day.

However Nieboer discloses, a primary object of the present invention is to efficiently transact conditional buy and sell orders for items of commerce by multiple traders in real-time. (see column 2 lines 1-5).

Therefore it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of Nieboer and Hawkins performing transactions in real time would have been a more timely and efficient way in conducting the processing of mutual funds orders messages, in appose to periodically and at the end of the day.

As per claim 36, Nieboer discloses wherein the first server reformats.(i. e, formats") the confirmation messages. (column 5 lines 25-45). and transmits the confirmation messages to servers at least one of a plurality of ordering Member Firms.(“i. e, “subscribers” see column 3 lines 24-36).

As per claim 37, Nieboer fail to explicitly teach wherein the step of forwarding comprises forwarding said order messages from the server, in single batch and multi-batch, at the end of the day.

However Nieboer discloses, a primary object of the present invention is to efficiently transact conditional buy and sell orders for items of commerce by multiple traders in real-time. (see column 2 lines 1-5).

Therefore it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of Nieboer and Hawkins performing

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transactions in real time would have been more advantageous than batch processing whereby transaction are group together for processing at the end of the day.

As per claim 38, Nieboer fail to explicitly teach wherein the step of transmitting said confirmation messages further comprises the step of delaying the transmission of said confirmation messages from the server, in single batch and multi-batch, until the end of the day.

However Nieboer discloses, a primary object of the present invention is to efficiently transact conditional buy and sell orders for items of commerce by multiple traders in real-time. (see column 2 lines 1-5).

Therefore it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of Nieboer and Hawkins performing transactions in real time would have been a more effective and efficient way of processing mutual funds orders messages in appose to delaying the transmission of said confirmation messages from the server, in single batch and multi-batch, until the end of the day.

As per claim 39, Nieboer fail to explicitly teach wherein servers at least one of said Fund/Securities Clearing Agents and servers at least one of said Depositories use at least one of said Fund/Securities Clearing Agent's money settlement systems to settle orders included in said order messages.

However Hawkins discloses a database, the database storing standing delivery instructions relating to at least a first broker, a data communication device for at least receiving an order message in a secure financial network format from the first broker, wherein the order message comprise a buy order or a sell order for trading securities, forwarding the order message in the secure financial network format to a second broker, receiving a confirmation message verifying execution of the order message in the secure financial network format from the second broker and forwarding the confirmation message in the secure financial network format to the first broker, forwarding a first notification message in the secure financial network format to a first clearing agent, and forwarding a second notification message in the secure financial network format to a second clearing agent, wherein the first and second notification messages comprise

settlement instructions for settling the transaction. (see column 21 lines 59-65 and column 4 line 65).

Therefore it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of Nieboer and to include Fund/Securities Clearing Agents and servers at least one of said Depositories use at least one of said Fund/Securities Clearing Agent's money settlement systems to settle orders included in said order messages taught by Hawkins in order to trade securities electronically between brokers in which trade confirmation is performed automatically.

As per claim 40, Nieboer fail to explicitly wherein at least one of the Fund/Transfers Agents pays at least one of cash dividends and reinvested dividends to at least one of a Member Firm's Depository Account and a Fund/Securities Clearing Agent Account.

However Hawkins discloses a database, the database storing standing delivery instructions relating to at least a first broker, a data communication device for at least receiving an order message in a secure financial network format from the first broker, wherein the order message comprise a buy order or a sell order for trading securities, forwarding the order message in the secure financial network format to a second broker, receiving a confirmation message verifying execution of the order message in the secure financial network format from the second broker and forwarding the confirmation message in the secure financial network format to the first broker, forwarding a first notification message in the secure financial network format to a first clearing agent, and forwarding a second notification message in the secure financial network format to a second clearing agent, wherein the first and second notification messages comprise settlement instructions for settling the transaction. (see column 21 lines 59-65 and column 4 line 65).

Therefore it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of Nieboer and to include Fund/Transfers Agents pays at least one of cash dividends and reinvested dividends to at least one of a Member Firm's Depository Account and a Fund/Securities Clearing

Agent Account taught by Hawkins in order to trade securities electronically between brokers in which trade confirmation is performed automatically.

As per claim 41, Nieboer discloses wherein said first server tabulates said order messages.(see column 4 lines 5-12).

As per claim 42, Nieboer discloses wherein the first server further comprises a database for storing said order messages. (see column 4 lines 10-13).

As per claim 43, Nieboer discloses further comprising the step of storing information relating to said order messages in the database.(see column 3 lines 30-35) Nieboer and Hawkins fail to explicitly teach storing by date, Member Firms and funds, including gross purchase and redemption and historical orders, dividends, and net fund positions.

However storing by date, Member Firms and funds, including gross purchase and redemption and historical orders, dividends, and net fund positions are commonly known to be listed on a customer's order statement and would have to be stored prior to printing those statements.

Therefore it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of Nieboer and Hawkins to include storing by date, Member Firms and funds, including gross purchase and redemption and historical orders, dividends, and net fund positions are commonly known to be listed on a customer's order statement and would have to be stored prior to printing those statements.

As per claim 44, Nieboer discloses wherein said first server receives dividend information from servers at least one of the Fund/Transfer Agents for tabulation of order message information, comprising correct calculation of each fund's NAV, calculation of fund total returns over different time periods and fund assets held at each Member Firm.

As per claim 44 , Nieboer and Hawkins fail to explicitly teach wherein said first server receives dividend information from servers at least one of the Fund/Transfer Agents for tabulation of order message information, comprising correct calculation of each fund's NAV, calculation of fund total returns over different time periods and fund assets held at each Member Firm.

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However receiving dividend information for tabulation of order message information and calculating each net asset value of the total returns over different times periods are common function perform during trading or processing of mutual funds orders because it calculate the net assets from the gross assets by subtracting the different fees and cost from the gross.

Therefore it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of Nieboer and Hawkins to include receiving dividend information for tabulation of order message information and calculating each net asset value of the total returns over different times periods are common function perform during trading or processing of mutual funds orders because it calculate the net assets from the gross assets by subtracting the different fees and cost from the gross.

As per claim 45, Nieboer discloses further comprising the steps of storing total return information in the database.(see column 3 lines 30-35)

Nieboer and Hawkins fail to explicitly teach storing NAV and total return information including dividends and fund assets held at each Member Firm at different points in time.

However storing NAV and total return information including dividends and fund assets held at each Member Firm at different points in time are common, because these fields are listed on a customer's order statement and would have to be stored prior to printing those statements.

Therefore it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of Nieboer and Hawkins to include storing NAV and total return information including dividends and fund assets held at each Member Firm at different points in time are common, because these fields are listed on a customer's order statement and would have to be stored prior to printing those statements.

Conclusion

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5. Applicant's arguments files on 06/14/04 have been fully considered but they are moot in view of new grounds of rejection.

6. Applicant's amendment necessitated the new ground(s) of rejection presented in this Office action. Accordingly, THIS ACTION IS MADE FINAL. See MPEP § 706.07(a). Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the date of this final action.


Any inquiry concerning this communication or earlier communications from the examiner should be directed to Clement B Graham whose telephone number is 703-305-1874. The examiner can normally be reached on 7am to 5pm.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Hyung S. Sough can be reached on 703-308-0505. The fax phone numbers for the organization where this application or proceeding is assigned are for regular communications and 703-305-7687 for After Final communications.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the receptionist whose telephone number is 703-308-1113.

CG

October 04, 2004


FRANTZY POINVIL
PRIMARY EXAMINER
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